

3/26/2008 Moran Introduces Legislation to Ease Agricultural Trade Restrictions with Cuba

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Bill Removes Barriers for Present and Future Sales of U.S. Products

WASHINGTON, D.C. - Congressman Jerry Moran this week introduced legislation to improve the ability of U.S. agriculture producers to market their products to Cuba. H.R. 1737, the Agricultural Export Facilitation Act of 2009, removes barriers to present and future sales of U.S. agricultural products to Cuba under the Trade Sanctions Reform and Export Enhancement Act (TSREEA) of 2000.

"With the current economy placing new hardships on our producers, this is an opportune time to encourage the United States to change its trade policies toward Cuba," Moran said. "Cuba is an important market for U.S. agriculture, as well as for manufacturers and distributors of food products. But the actions of our own government have created a climate of uncertainty and have inhibited the sale of agricultural goods. Our unreliable and uncertain trade policies are sending the signal to Cuba that it is easier to purchase its products elsewhere. We are only hurting ourselves."

"It's no secret that for American farmers to succeed we need to export more of our commodities and trade reform with Cuba is long overdue," said Steve Baccus, a grain farmer from Ottawa County, Kan., who serves as president of Kansas Farm Bureau. "Knocking down trade barriers between the U.S. and Cuba will help feed hungry people in Cuba and help the bottom lines of many struggling U.S. farm families."

The passage of TSREEA in 2000 allowed for the export of agriculture products to Cuba for the first time in 38 years. In 2005, however, a change by the Treasury Department to the cash payment in advance rule caused payments for agriculture exports to be made before ships leave U.S. ports rather than upon delivery, making it more difficult for American farmers to sell their products to Cuba. H.R. 1737 clarifies that a seller of a product receives payment at the time

a Cuban purchaser takes physical possession of that product.

"We appreciate Congressman Moran's dedication to easing trade and travel restrictions with Cuba," said Jerry McReynolds, a wheat producer from Woodston, Kan., and the first vice president of the National Association of Wheat Growers. "It is extremely important that we are able to trade with our close neighbors, and we look forward to working with Congressman Moran and other supporters to ensure that this issue progresses this year."

For U.S. agricultural representatives engaging in sales and transport-related activities with Cuba, this legislation will eliminate delays and denials for obtaining licenses to travel to Cuba. It will also allow Cuban officials to obtain visas for meetings with prospective U.S. exporters and for conducting sanitary and phytosanitary inspections of U.S. agriculture facilities. Finally, H.R. 1737 permits direct payments between Cuban and U.S. financial institutions. This change will permit U.S. exporters to receive payments within hours instead of days and will eliminate an unnecessary transaction fee.

Moran's legislation comes three weeks after U.S. Treasury Secretary Timothy Geithner stated he would avoid making policy changes as directed by H.R. 1105, the FY 2009 omnibus appropriations bill. In a letter to Senators Robert Menendez and Bill Nelson, Sec. Geithner stated: "Treasury believes that this change will likely have no influence on current financing rules."

"I was disappointed to hear Sec. Geithner's recent comments," Moran said. "I had hoped this administration would abandon the failed policies of past administrations in regard to trade with Cuba. It is clear to me that Congress must speak directly on the issue if change in policy is to be accomplished."

This month, Moran joined members of the Cuba Working Group in sending a letter to Sec. Geithner to request a meeting to discuss U.S. trade policies. Moran is a senior member of the House Agriculture Committee.

The following Members have signed onto H.R. 1737 as original sponsors:

Charles W. Boustany, Jr. (LA-07)

John Boozman (AR-03)

Henry E. Brown, Jr. (SC-01)

Michael K. Conaway (TX-11)

Marion Berry (AR-01)

Lincoln Davis (TN-04)

William D. Delahunt (MA-10)

Donna F. Edwards (MD-04)

Jo Ann Emerson (MO-08)

Jeff Flake (AZ-06)

James P. McGovern (MA-03)

Randy Neugebauer (TX-19)

Ron Paul (TX-14)

Mike Ross (AR-04)

Vic Snyder (AR-02)

Bennie G. Thompson (MS-02)

Timothy J. Walz (MN-01)

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